THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) At this stage when the Dunkel proposals on the Uruguay Round are yet to be accepted by the participating countries, it is difficult to assess the consequences of acceptance or rejection of these proposals.

(b) and (c) Negotiations on market access are yet to be completed in the Uruguay Round. However, the proposals made on textiles and agriculture have the potential to enable India to expand its exports in these products.

(d) If the Dunkel proposals are accepted in toto, and enter into force with effect from 1-1-1993.

(i) with effect from 1-1-2003 new pharmaceutical products will be eligible for product patent protection in India. Consequently, after 1-1-2003 any person other than the patent holder will need to obtain a licence of the patent holder in order to be able to manufacture those new products.

(ii) in respect of products which are patented and granted marketing approval outside India after 1-1-1993, there will be some restriction on the marketing in India of such products by the Indian pharmaceutical industry if the patent holder applies for and obtains exclusive marketing rights for five years in India.

(e) There is no obligation in the Dunkel proposals for the protection of seed varieties exclusively by patents. The Dunkel proposals provide options that plant varieties could be protected either by patents or by an effective sui-generis system or by any combination thereof.

Unfair trade practices under 301 Trade Act

787. SHRI KRISHNA KUMAR BIRLA: Will the Minister of COMMERCE be pleased to state:

(a) whether the 26th February, 1992 is the deadline for completing negotiations on unfair trade practices under provision 301 of the U.S. Trade Act;

(b) if so, what are the major differences between India and US on the issue:

(c) whether US has recently issued a show-cause notification for retaliatory steps against the country under the special 301 trade law;

(d) if so, what are the details thereof; and

(e) what is the reaction of Government with regard thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (e) On 26 April, 1991, the United States Trade Representative (USTR) designated India as a priority foreign country under the Special 301 provisions of the U.S. trade legislation on grounds of perceived deficiencies in India's patent law, trade mark and copyright regimes and the enforcement of intellectual property law. The United States also represented that access for US motion pictures was restricted through quotas, fees and other barriers.

In January, 1992, the USTR issued a notice inviting written comments from the public by 24 February, 1992, as to whether acts, policies and practices of the Government of India concerning the protection and enforcement of intellectual property rights and market access for motion pictures are unreasonable and burden or restrict US commerce, and if so, what responsive action, if any, should be taken by the United States.

Government are satisfied that our laws relating to trademarks and copyright, together with some amendments proposed to the Copyright Act, are adequate. A decision has also been taken to improve market access for motion pictures and videos. As far as the issue of patents is concerned, attention of the United States has been drawn to the fact that this is the subject of multilateral negotiations, which have yet to be concluded.

On 26 February, 1992, the USTR announced the decision to terminate the investigation against India under Section 301.